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ELIAS C. ALVORD (1942)  
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OF COUNSEL  
URBAN A. LESTER

December 2, 2002

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

RECORDATION NO. 24231 FILED  
DEC 02 '02 12-27 PM  
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Mortgage, dated as December 3, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Debtor: Bayport Rail Terminal, Inc.  
5100 Underwood Drive  
Pasadena, Harris County, TX 77507

[Secured Party: Landesbank Schleswig-  
Holsten Girozentrale  
as Administrative Agent  
Martensdamm 6  
D-24103 Kiel  
Germany

A description of the railroad equipment covered by the enclosed document is:

One (1) GP7 1500 HP locomotive AKDN-703.

Mr. Vernon A. Williams  
December 2, 2002  
Page Two

A short summary of the document to appear in the index follows:

Memorandum of Mortgage

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anr  
Enclosures

**EXECUTION COPY**

**MEMORANDUM OF MORTGAGE**

Memorandum of Mortgage, made and entered into as of December 3, 2002, between BAYPORT RAIL TERMINAL, INC. (the "Debtor") and LANDESBANK SCHLESWIG-HOLSTEIN GIROZENTRALE, as Administrative Agent under the Security Agreement referred to below (together with its successors and permitted assigns, the "Secured Party"). Terms used in this instrument have the meanings assigned thereto in the Security Agreement dated as of October 31, 2002 (as amended, modified, supplemented or restated from time to time, the "Security Agreement"), between the Debtor and the Secured Party.

**WITNESSETH:**

The undersigned have entered into the Security Agreement, by which the Debtor has granted a security interest in a locomotive bearing reporting marks and road numbers as listed on Exhibit A attached hereto to the Secured Party in order to secure the Debtor's performance of its obligations as described in the Security Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

BAYPORT RAIL TERMINAL, INC.

By Michael R. Curry  
Name: Michael R. Curry  
Title: President

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SURFACE TRANSPORTATION BOARD

STATE OF Missouri )  
COUNTY OF Jackson ) ss.:

On the 13th day of November in the year 2002 before me personally came Michael Curry to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) at Pasadena TX; that he/she/they is (are) the Pendant ([president or other officer or director or attorney in fact] duly appointed) of the Export Rail Terminal, the corporation described in and which executed the above instrument; and that he/she/they signed his/her/their name(s) thereto by authority of the board of directors of said corporation.

ANGELA EASTLAND  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Commissioned in Jackson County  
My Commission Expires May 14, 2004

Angela Eastland  
Notary Public

[Notarial Seal]

**Exhibit A  
to Memorandum of Mortgage**

**LOCOMOTIVE**

<b>Year Built</b>	<b>Description</b>	<b>Reporting Marks</b>	<b>Casualty Marks</b>
1952	GP7 1500 HP locomotive manufactured by General Motors	AKDN-703	None.

**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: \_\_\_\_\_

12/2/02



\_\_\_\_\_  
Robert W. Alvord